

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**IN THE MATTER OF THE PETITION OF)
VERIZON NORTHWEST, INC.,) DOCKET NO. UT-011439
FOR WAVER OF)
WAC 480-120-071 (2)(a))
_____)**

REBUTTAL TESTIMONY OF

ROBERT J. HUBBARD

ON BEHALF OF

QWEST CORPORATION

JULY 5, 2002

I. IDENTIFICATION OF WITNESS

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Q. PLEASE STATE YOUR NAME, EMPLOYER AND BUSINESS ADDRESS.

A. My name is Robert J. Hubbard. I am employed by Qwest Corporation, as a Director in the Local Network Organization. My business address is 700 West Mineral, Littleton, Colorado 80120.

Q. BRIEFLY OUTLINE YOUR EMPLOYMENT BACKGROUND.

A. I am a Director of Technical Support in Qwest's Interconnection Strategies Group, the group responsible for the development of strategies to implement the unbundling of Qwest's network as required by the Telecommunications Act of 1996 ("the Act"). I provide technical support regarding unbundling issues to the Qwest Network and Policy and Law departments.

I have over 33 years experience in the network organizations of two Regional Bell Operating Companies, Qwest and Indiana Bell Telephone Company. I worked for over 11 years at Indiana Bell and Qwest as a cable splicer and as a cable repairman involved in all aspects of splicing and repairing copper cables. At Qwest, I eventually moved from splicing and repairing into the engineering department as a design engineer for outside plant, designing copper and fiber facilities, and Analog and Digital Carrier Systems. I then went into the planning department as an outside plant planner, in which I planned for future jobs involving fiber cable placement and upgrades to the existing outside plant

1 network. In 1997, I moved into my present job as a Director in the
2 Interconnection Planning Department.

3 **II. PURPOSE OF REBUTTAL TESTIMONY**

4

5 **Q. PLEASE DESCRIBE THE PURPOSE OF YOUR REBUTTAL**
6 **TESTIMONY.**

7 A. I will address the issues raised by Commission Staff and the Testimony of Robert
8 Shirley in this docket and the issue raised by Verizon on applying for a line
9 extension waiver. Also, I will address the cost and construction associated for
10 Qwest to extend its facilities into the Verizon area. My testimony will
11 demonstrate why it does not make good economic, network design or good policy
12 sense for the Commission to unilaterally redraw Qwest's exchange boundary in
13 this instance.

14

15 **Q. HAVE YOU REVIEWED THE PLEADINGS IN THIS CASE, INCLUDING**
16 **THE THIRD SUPPLEMENTAL ORDER?**

17 A. Yes.

18

19 **Q. HAVE YOU REVIEWED THE TESTIMONY OF STAFF WITNESS,**
20 **ROBERT SHIRLEY, IN THIS CASE?**

21 A. Yes.

22

1 **Q. DO YOU UNDERSTAND THAT QWEST HAS BEEN REQUIRED TO**
2 **SUPPLY TESTIMONY ON THE COST QWEST WOULD INCUR TO**
3 **EXTEND ITS FACILITIES TO PROVIDE SERVICE TO OCCUPANTS**
4 **OF THE AREA KNOWN AS THE TIMM RANCH?**

5 A. Yes.

6

7 **Q. IS THIS AREA WITHIN QWEST'S CURRENTLY FILED AND**
8 **EFFECTIVE SERVICE AREA?**

9 A. No, the area known as the Timm Ranch is in the Bridgeport Exchange in
10 Verizon's territory. Verizon was designated as an eligible telecommunications
11 carrier (ETC) in this area by the Commission.

12

13 **Q. HAVE YOU INVESTIGATED AND FORMED AN OPINION ON WHAT**
14 **IT WOULD COST QWEST TO EXTEND ITS FACILITIES TO PROVIDE**
15 **SERVICE TO OCCUPANTS OF THE AREA KNOWN AS THE TIMM**
16 **RANCH?**

17 A. Yes. Because I only had information as to the location of Ike Nelson and not of
18 the other customers on the Timm Ranch, I based my cost and network design
19 assumptions on Mr. Nelson's location. The Nelson residence (on the Timm
20 Ranch) is located in T 30N, R 28E, section 17 on the north/west side of the
21 Columbia River, which is approximately 16,000 feet from the Qwest/Verizon
22 exchange boundary.

23

1 **Q. PLEASE PROVIDE THE RESULTS OF THAT INVESTIGATION,**
2 **INCLUDING ALL STEPS IN YOUR INVESTIGATION AND YOUR**
3 **OPINION OF THE COST TO QWEST TO EXTEND ITS FACILITIES TO**
4 **SERVE THE OCCUPANTS OF THE TIMM RANCH.**

5 **A.** I enlisted the aid of a field engineer to locate the Ike Nelson residence and to
6 provide me with an overview of the construction, which would be required to
7 serve that residence. I asked the field engineer to provide me with the build
8 design and costs associated for serving this area out of Qwest's Omak exchange.

9

10 **Q. PLEASE PROVIDE THE INFORMATION ON THE COST ESTIMATE.**

11 **A.** This option would require the placement of approximately 47,500 feet of 19
12 gauge, 25 pair cable in order to extend service into the Verizon territory as far as
13 the Ike Nelson residence. In addition, it would also require the reinforcement of
14 52,500 feet of existing 6 pair cable and 26,400 feet of existing 11 pair cable. It
15 would also include the installation of several systems of a small digital carrier
16 system along the route. Both of the existing cables providing service to a 40
17 square mile area which makes up the southeast corner of the Omak exchange are
18 working at near capacity. There are a couple of spare pairs that are available in
19 these cables, but they are used periodically as maintenance spares to maintain
20 service to the existing 50 to 75 customers in the area. Another reason for
21 reinforcement of the existing copper cables for the installation of the digital
22 systems is that the older air core cables do not have the proper transmission
23 capability to carry the digital signal. The approximate cost for this project would

1 be \$642,000, plus a 15% overhead cost for right of way and re-grading expenses
2 as described below, for a total of \$738,875. Exhibit RJH -2 is a workpaper which
3 develops this cost. This would allow Qwest to provide voice grade service
4 capable of all vertical features available in this exchange. At this time, I am
5 unsure of the other customers' locations on the Timm Ranch, so this estimate only
6 includes the cost to provide multiple connections to the Nelson location. Any
7 additional cable placement required to reach and serve the other customers
8 located on the Timm Ranch would add additional costs to this estimate.

9
10 Using Verizon's estimate of the cost to provide facilities to the other occupants of
11 the Timm Ranch, one could estimate the need to place an additional 17,400 feet of
12 copper facilities at an additional cost of \$73,045. This would raise the total cost
13 estimate to \$811,920. Verizon estimated the cost to extend 27 miles to the Nelson
14 premises using fiber, and the estimated cost of this fiber-based extension is
15 greater than the cost Qwest estimated above for a copper based digital carrier
16 system extension. Qwest would not use fiber for this limited number of
17 customers for its required 33-mile build from the Omak central office to the
18 Nelson premises. However, if a fiber route to the Nelson premises from the
19 Omak central office were costed, to produce a comparable estimate to Verizon's
20 based on technology, the cost would include the cost of the fiber cable, \$236,740,
21 the placing cost, \$578,500, and the cost associated with providing digital carrier
22 system, \$150,000. Also, adding in the anticipated 15% overhead cost, the total
23 cost to the Nelson premises is \$1,110,026. To provide service to the other

1 members of the Timm Ranch the assumed 17,400 feet beyond the Nelson
2 premises, again you would need to add \$73,045 of copper facilities for a grand
3 total of \$1,184,071. Exhibit RJH-3 is a workpaper which develops this cost. This
4 number exceeds the Verizon fiber based estimate. Qwest would not use fiber for
5 this project under current design standards. However under the assumption that
6 apparently underlies the Staff's position, current network design standards no
7 longer apply. Under those circumstances, Qwest would no longer be in a position
8 to judge and reasonably design for the likely customer load on any given
9 Commission required extension from the end of the existing Qwest network into
10 another company's filed exchange. For this reason, and under this assumption,
11 fiber may well be reasonable as a design choice to avoid yet additional future
12 reinforcement costs in response to future Commission ordered additional
13 extensions of service under these circumstances.

14

15 **Q. VERIZON STATED THAT IT WOULD HAVE TO PLACE FACILITIES**
16 **OUTSIDE OF ITS EXCHANGE AREA TO SERVE THE CUSTOMERS OF**
17 **THE TIMM RANCH. WOULD QWEST ALSO HAVE TO PLACE**
18 **FACILITIES OUTSIDE OF THE OMAK EXCHANGE TO PROVIDE**
19 **SERVICE TO THE TIMM RANCH?**

20 A. Yes. Not only would Qwest be required to place facilities from its Omak
21 exchange in the Bridgeport Exchange of the Verizon serving area, but Qwest
22 would also have to place facilities through a portion of the Nespelem Exchange of
23 Century Tel's serving area, as shown by the map which is Exhibit RJH-4. In fact,

1 the Nespelem Exchange central office is actually about one third closer to the
2 Nelson premises than is Qwest's Omak central office. Since Qwest would have to
3 reinforce its facilities all the way back to the Omak central office in order to serve
4 the Nelson premises, if relative cost to extend is the criterion on which exchange
5 boundaries are to be redrawn in this case consistent with Staff's apparent position,
6 then it is possible that Century Tel's cost to extend to the Nelson premises would
7 be lower than Qwest's cost.

8

9 **Q. YOU MENTIONED THAT OTHER FACTORS ARE LIKELY TO**
10 **INCREASE THE COSTS. WHAT ARE THESE OTHER**
11 **CONSTRUCTION CONCERNS OR UNKNOWNNS WHICH WOULD**
12 **APPLY TO BOTH OPTIONS?**

13 A. Qwest has several concerns or issues that could hamper the timely construction of
14 facilities into this area and will affect the cost of the extension.

15 1. This entire area is located on the Colville Indian Reservation. All cable
16 placements off of the county road, approximately 44,000 feet, would require
17 permission of the Colville Confederated Tribe. This approval has historically
18 been very time consuming and expensive to obtain. Even if the Commission
19 redrew Qwest's exchange boundary in this case, Qwest thereafter received a
20 request for service from occupants of the Timm Ranch and Qwest determined
21 not to seek a waiver of the line extension rule itself but decided to extend its
22 facilities, the process of obtaining necessary permission from the Tribe would
23 almost certainly preclude Qwest from beginning construction this year.

1 2. During a similar placement job done last year in Qwest's service territory in
2 Okanogan County, the county required Qwest to re-grade and gravel the
3 shoulder of the county road for the entire length of the project. This added
4 approximately 15% to the cost of the project. The same requirements could
5 be placed on Qwest for this project.

6 3. The construction season in this area is generally from mid April to mid
7 October due to weather conditions.

8 Thus, it seems likely that Qwest's costs to serve may be close to Verizon's.

9

10

11 **Q. WAS QWEST'S NETWORK DESIGNED WITH THE INTENT TO**
12 **EXTEND SERVICE TO THE OCCUPANTS OF TIMM RANCH?**

13 A. No. Qwest designs its facilities to meet forecasted growth in a designated area.
14 Qwest would have no forecast for the Timm Ranch and would not have designed
15 its Network to allow sufficient facilities to meet any service request for this area.
16 Qwest has never sought to be a carrier in this area or held itself out to serve these
17 customers.

18

19 **Q. DOES STAFF'S DIRECT TESTIMONY PROVIDE ANY REASON WHY**
20 **QWEST'S EXCHANGE BOUNDARY SHOULD BE CHANGED IN THIS**
21 **CASE?**

22 A. No. The Staff has simply stated a position that the Timm Ranch residents should
23 receive service and Qwest should be considered a potential provider of service.

1

2 **Q. DO YOU AGREE WITH STAFF'S ESTIMATES THAT IT WOULD ONLY**
3 **COST QWEST \$150,000 TO EXTEND FACILITIES, WHILE IT WOULD**
4 **COST VERIZON \$400,000 TO EXTEND FACILITIES TO THE SAME**
5 **LOCATIONS?**

6 A. No. In my opinion, these estimates are far too low, based on my estimate of
7 Qwest's costs and the testimony of Ms. Ruosch for Verizon. Staff does not
8 appear to have based its estimate on Qwest's cost for cable and placing activities.
9 Staff did not seek discovery of the existing facilities and the fill data of the cable
10 and if reinforcement would have been required to extend facilities. Staff's
11 response to Qwest's data request 31 indicates that Staff's estimate of Qwest's cost
12 to extend facilities to the occupants of the Timm Ranch does not take into account
13 the cost of extending to occupants other than Mr. Nelson.¹ According to
14 Verizon's estimate which I used above, this cost alone is almost fifty percent of
15 Staff's estimate. Staff's responses to Qwest's data requests indicate that Staff's
16 estimate of Qwest's costs to extend is based only on the supposed cost of
17 extending the distance from the extreme end of Qwest's current network to the
18 Nelson residence.² The Staff provided no workpapers underlying this estimate in
19 response to Qwest's data request, indicating that there were no workpapers.³
20 According to the Staff's response to Qwest's data request, the Staff's estimate of
21 Qwest's cost to extend its facilities was based exclusively on a number of \$20,000

¹ See Exhibit RJH-5.

² See Exhibit RJH-6, Staff's Responses to Qwest Requests 21, 22 and 32.

³ (Ibid.)

1 per mile for extending facilities multiplied by the Staff's assumed distance from
2 Qwest's network end to the Nelson premises of 7.5 miles, which is almost two
3 miles less than the actual distance.⁴ The Staff's response to Qwest's discovery
4 specifically did not discuss any typical engineering assumptions about an
5 extension's costs such as: the availability of unused pairs on the existing facility;
6 the distance to the central office; the means of placement; type of facility used;
7 number of lines per customer; locations of customers other than the Nelson
8 premises; and whether Qwest must size this extension to be prepared to extend yet
9 again into Verizon's exchange after a future Commission order.⁵ These
10 assumptions are critical to make a reasonable cost estimate. The Staff's response
11 to Qwest's data request says that the \$20,000 per mile number is reasonable based
12 on comparing it to three numbers for Verizon: \$29,383 estimated by Verizon per
13 mile for buried facilities; \$19,402 estimated by Verizon per mile for aerial
14 facilities; and \$25,805 historical cost calculated by Staff for Verizon's aerial
15 facilities.⁶ The only one of these numbers which is close to the \$20,000 number
16 that the Staff used in its estimate for Qwest is the Verizon estimated cost for aerial
17 facilities, which Verizon's response to Staff's data request 69 states Verizon
18 would not use as a matter of design in this situation.⁷ Qwest would also never use
19 aerial facilities for this extension from its Omak central office. It is unclear to me
20 why Staff believes the average historical Verizon cost for aerial cable
21 construction relates to a current, forward looking cost that Qwest would actually

⁴ (Ibid.)

⁵ (Ibid.)

⁶ (Ibid.)

⁷ See Exhibit RJH-7.

1 face today for buried construction over a different route than Verizon proposed.
2 The Verizon estimate for buried construction cited by the Staff is almost 50%
3 higher than the Staff's per mile cost estimate for Qwest. Unlike Qwest's estimates
4 (described above), it does not appear that the Staff estimate takes into account the
5 actual terrain, distance and placement conditions that Qwest would face in
6 extending to the Timm Ranch occupants from its Omak exchange.
7

8 **Q. DO YOU AGREE WITH STAFF'S APPARENT POSITION THAT THE**
9 **COST FOR QWEST TO EXTEND FACILITIES TO THE OCCUPANTS**
10 **OF THE TIMM RANCH IS LIMITED TO ONLY THE COST OF**
11 **PLACING THE FACILITIES 47,500 FEET BETWEEN THE END OF**
12 **QWEST'S NETWORK CLOSEST TO THOSE OCCUPANTS, AND**
13 **THOSE OCCUPANTS?**

14 A. No. While I am unclear as to Staff's position about the possible recovery of
15 Qwest's reinforcement cost, Staff's response to Qwest's discovery implies that
16 Staff's position in this case (and the reason it sought to join Qwest as a party) may
17 be based on an incorrect comparison of Qwest's cost of extending from the
18 extreme end of Qwest's network some 7.5 miles to the Nelson premises to
19 Verizon's cost of extending a much greater distance.⁸ The telecommunications
20 network is not like an electrical power distribution system. If there is not an
21 available telecommunications path to dedicate to the exclusive use of the new
22 customer from the extreme end of the network route as extended, all the way back

⁸ See Exhibit RJH-6.

1 to the central office, then capacity must be added in segments between the end of
2 the route and the central office until such a path exists. The true cost of extending
3 facilities includes all of the cost of establishing that dedicated path, however far
4 back toward the central office the construction must occur.

5

6 **Q. ARE THERE ANY FACTORS UNIQUE TO TIMM RANCH THAT**
7 **WOULD CAUSE YOU CONCERNS REGARDING THE COST OF**
8 **MAINTAINING FACILITIES TO THE TIMM RANCH?**

9 A. Yes. By reviewing the information provided, I have determined that, if the
10 Commission redraws Qwest's exchange boundary, Qwest would be placing
11 facilities on roads that are unplowed in the winter. Also, Qwest would have some
12 cross-country facilities that are not on any road right-of-way. This may make
13 facilities maintenance extraordinarily expensive.

14

15 **Q. DO YOU BELIEVE IT IS POSSIBLE THAT IF THE COMMISSION**
16 **ORDERS QWEST TO CHANGE ITS EXCHANGE AREA BOUNDARY**
17 **TO INCLUDE THE TIMM RANCH, THAT QWEST MIGHT RECEIVE A**
18 **REQUEST FOR SERVICE FROM OCCUPANTS OF THE TIMM**
19 **RANCH?**

20 A. Absolutely. In light of the fact that the occupants of the Timm Ranch have filed
21 service request with Verizon, I would expect that they would apply for service.

22

1 **Q. WHAT WOULD BE THE IMPACT ON QWEST FROM A NETWORK**
2 **PLANNING, ENGINEERING AND FINANCING STANDPOINT IF THE**
3 **COMMISSION WERE TO EXERCISE THE AUTHORITY TO REDRAW**
4 **QWEST'S EXCHANGE BOUNDARIES WHENEVER IT DETERMINED**
5 **THAT QWEST COULD SERVE A POTENTIAL CUSTOMER AT A**
6 **LOWER COST THAN COULD THE CARRIER IN WHOSE TERRITORY**
7 **THE POTENTIAL CUSTOMER RESIDES?**

8 A. The network would be far more difficult to plan if Qwest were obligated to serve
9 unforecasted demand outside the filed service area and far less efficient than the
10 current design. Other necessary projects would not be financed in order that this
11 type of design could be built. In the overall design of a Network, an engineer has
12 to have boundaries within which to design the outside plant cables. A network is
13 designed from the central office out to the far end of the exchange. The design is
14 based on the concept that it is efficient and economical to place larger size cables
15 closer to the central office and taper the cables down to smaller cables the farther
16 away from the central office the cables extend, until the outermost end, which is a
17 very small cable. If Qwest has to unexpectedly extend into an area outside the
18 exchange boundaries in most cases, there will not be a cable of sufficient size
19 nearby to serve the customer demand. When this happens, then cable
20 reinforcement is required farther back in the network to be able to provide
21 sufficient capacity and cable size to handle the local customer base.
22 Reinforcement is expensive and a proper, efficient design would minimize the
23 need for reinforcement. In fact, there is a great risk which Qwest faces if the

1 Commission chooses to re-draw the exchange boundaries based on the relative
2 cost to extend service. It could easily be the case that an expensive copper based
3 digital carrier system would be designed to serve to its capacity limits based on
4 existing boundaries, and then the Commission would order a change in
5 boundaries and an extension past the old boundary which would exceed the
6 design limits of the digital system and cause Qwest to have to replace that system
7 with a fiber based system. If Qwest were to redesign the network to
8 accommodate such a policy, the network would be far less efficient than today's
9 design. It would be impossible to plan an efficient network because it would be
10 necessary to overbuild every network segment and then Qwest more than likely
11 would have significant stranded plant investment at locations which cannot be
12 predicted. The reality is that construction dollars and resources are a finite
13 resource. If carriers cannot determine what their boundaries are likely to be,
14 carriers cannot efficiently plan and allocate resources to customers that are within
15 their boundaries. Qwest does not intend to redesign its network in this way.
16 However, if it did so redesign its network, having to build excessive capacity
17 toward the extremities of the network so that unanticipated orders to extend
18 facilities beyond the existing exchange boundaries could be complied with, would
19 mean that other necessary work could not be financed.

20

21 **Q. IS IT SOMETIMES NECESSARY TO INVESTIGATE AND PERFORM**
22 **DETAILED CALCULATIONS TO DETERMINE WHICH COMPANY'S**
23 **COST IN THIS SITUATION IS LOWER?**

1 A. Yes, however such an analysis overlooks the other real costs - those of resources,
2 maintenance, and the impact on competition and competitive alternatives. It is
3 not only the up front cost of placing facilities, but also the cost associated with
4 continuing maintenance of the facilities that Qwest faces in this new area.
5 According to Okanogan County, the roads on which the occupants of the Timm
6 Ranch are located, are considered primitive, and the roads are not plowed in the
7 winter. Qwest would be required to undertake a significant maintenance burden
8 with this extension. Another thing this Commission should consider is the
9 employee base of technicians. An employee base is sized on the geographic area
10 and customer base. If new area and customers are added to an already established
11 area, then the serving company may have to add additional head count to serve
12 the area. In addition, such a process of investigation would necessarily slow
13 down the process of providing service, and could make each line extension waiver
14 case into a complex litigated case such as this one, consuming management
15 resources that could be directed to providing and improving service.

16

17 **Q. WOULD THIS UNCERTAINTY BE THE SAME OR DIFFERENT IF THE**
18 **COMMISSION ESTABLISHED A POLICY THAT THE CUSTOMER'S**
19 **COMMUNITY OF INTEREST WOULD GOVERN WHETHER A**
20 **COMPANY'S EXCHANGE BOUNDARY SHOULD BE REDRAWN OVER**
21 **ITS OBJECTION?**

22 A. Uncertainty would exist in either case as a company would have the burden to
23 decide where the community of interest lies. In the case that an area to be served

1 is split as to the community of interests, would two serving areas have to be
2 overbuilt to satisfy all customers? This type of standard, if applied by the
3 Commission, would cause Qwest and all other carriers incredible difficulty in
4 terms of network planning and design.

5

6 **Q. DO YOU AGREE FROM AN ENGINEERING STANDPOINT THAT THE**
7 **COMMISSION SHOULD REDRAW EXCHANGE BOUNDARIES AND**
8 **ORDER A COMPANY TO EXTEND FACILITIES BECAUSE A**
9 **CUSTOMER IS CURRENTLY ON THE SIDE OF THE EXCHANGE**
10 **BOUNDARY THAT REQUIRES USAGE BASED CHARGES FOR CALLS**
11 **TO REACH THE CUSTOMER'S COMMUNITY OF INTEREST AND**
12 **THAT CUSTOMER WOULD PREFER FLAT RATED CALLING?**

13 A. No. From an engineering standpoint, the requirement for dedicated boundaries
14 exists. As explained previously, boundaries are a viable part of the overall
15 network plan.

16

17 **Q. WILL THE NETWORK REINFORCEMENT COSTS YOU DESCRIBED**
18 **ABOVE AS BEING NECESSARY FOR QWEST TO EXTEND**
19 **FACILITIES TO SERVE THE OCCUPANTS OF THE TIMM RANCH BE**
20 **USED TO PROVIDE SERVICE TO OTHER CUSTOMERS WHO ARE**
21 **LOCATED WITHIN QWEST'S EXISTING EXCHANGE BOUNDARY?**

22 A. No. The network extension that is part of the overall build for the Timm Ranch
23 did not take into consideration any cost for existing Qwest customers. The

1 reinforcement is for the occupants of the Timm Ranch only. The existing Qwest
2 customers will continue to be served by the existing cables.

3

4

5

**Q. DO YOU AGREE THAT THERE IS NO REASON TO BELIEVE THAT
6 THE EXISTING BOUNDARY WAS DRAWN WITH ANY
7 CONSIDERATION OF WHICH COMPANY COULD BETTER SERVE
8 THE TIMM RANCH?**

9

A. No. Boundaries were drawn as geographic limits on the obligation to build, and
10 they then formed the basis for the engineering decisions on how to serve those
11 customers located within the boundary. If each customer location in the state
12 were subjected to an analysis before drawing the boundary of which of two (or
13 perhaps more) physically close companies could better or best serve that location,
14 I do not believe that any boundary could ever have been drawn. Also as I discuss
15 above, the Century Tel Nespelem central office is actually closer to the occupants
16 of the Timm Ranch than Qwest's Omak central office. To my knowledge, Staff
17 has not proposed to make Century Tel's boundary an issue for change in this case.

18

19

20

**Q. BASED ON READING STAFF'S DIRECT TESTIMONY AND
21 DISCOVERY RESPONSES, DO YOU UNDERSTAND THE GROUNDS
22 ON WHICH THE STAFF MAY RECOMMEND TO THE COMMISSION
23 THAT QWEST'S EXCHANGE BOUNDARY BE REDRAWN IN THIS
24 CASE?**

1 A. Other than that the Staff seems to have assumed it would cost Qwest much less to
2 extend facilities to the occupants of the Timm Ranch than it would cost Verizon,
3 no.

4
5 **Q. MR. SHIRLEY TESTIFIED THAT THERE IS NO REASON WHY THE**
6 **COMMISSION SHOULD NOT REDRAW QWEST'S BOUNDARY AND**
7 **REQUIRE IT TO SERVE THE OCCUPANTS OF THE TIMM RANCH**
8 **EVEN THOUGH VERIZON IS AN ETC FOR THAT SAME AREA. IN**
9 **YOUR OPINION, IS THERE ANY REASON WHY THE COMMISSION**
10 **SHOULD REDRAW QWEST'S BOUNDARY AND REQUIRE QWEST TO**
11 **SERVE THOSE OCCUPANTS UNDER THESE CIRCUMSTANCES?**

12 A. No. As stated throughout my testimony, boundaries exist for a reason and that
13 companies have designed their networks to serve customers within those
14 boundaries. If the Commission redraws the boundaries, then companies would
15 lose any rational ability to efficiently design their networks. The existence of two
16 ETCs (Verizon and RCC Minnesota) in the Bridgeport exchange is a strong
17 indication that there is no need to redraw Qwest's boundary in order to permit Mr.
18 Nelson to receive telephone service. There is no indication in the record that Mr.
19 Nelson has rejected RCC Minnesota's service or that RCC Minnesota has stated it
20 will not serve Mr. Nelson. Even if there were, I am not aware of any evidence
21 showing why it would be appropriate or reasonable to compel Qwest to extend its
22 facilities to serve the Timm Ranch when RCC Minnesota and Verizon have held
23 themselves out as ETCs in the area.

1

2 **Q. IS IT TRUE THAT THE IKE NELSON HOME IS ONLY TWO MILES**
3 **FROM THE QWEST-VERIZON BOUNDARY?**

4 A. No. As I previously testified, the Ike Nelson home is 16,000 feet (or more than
5 three miles) from that boundary along the only available road.

6

7 **Q. AFTER REVIEWING THE OKANOGAN COUNTY MAP SEGMENT**
8 **ATTACHED AS EXHIBIT RBS-5 TO MR. SHIRLEY'S TESTIMONY, AS**
9 **WELL AS THE VERIZON EXHIBIT KR-4 AND THE STAFF'S**
10 **RESPONSE TO QWEST DATA REQUEST 30, DO YOU KNOW THE**
11 **LOCATIONS OF ANY OF THE OTHER OCCUPANTS OF THE TIMM**
12 **RANCH OTHER THAN IKE NELSON SUFFICIENTLY TO ESTIMATE**
13 **THE COST OF EXTENDING FACILITIES TO THEM IN ADDITION TO**
14 **THE COST OF EXTENDING TO THE NELSON PREMISES?**

15 A. No.⁹

16

17 **Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

18 A. Yes.

19

20

⁹ See Exhibit RJH-8, response to Qwest Data Request 30. The area covered by this description is 36 square miles.